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Attorneys for Plaintiff
WALTER HACKETT

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

WALTER HACKETT, an
individual,

Plaintiff,

vs.

STANDARD INSURANCE
COMPANY, an Oregon
Corporation; and DOES 1-50,
inclusive,

Defendants.

) Case No.:

) COMPLAINT FOR:

) **ERISA, 29 U.S.C. §§ 1001, et seq.**

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1 Plaintiff, WALTER HACKETT, hereby brings his complaint against the
2 above-named Defendants and states and alleges as follows:

3 JURISDICTION

4 1. This is an action for equitable relief and for benefits under a group
5 long-term disability insurance policy. Plaintiff's claims for relief arise under the
6 Employee Retirement Income Security Act of 1974, 29 U.S.C. Sections 1001 et
7 seq. (hereafter, "ERISA"). This Court has subject matter jurisdiction of this action
8 under 29 U.S.C. Section 1132 and 28 U.S.C. Section 1331.

9 INTRADISTRICT ASSIGNMENT

10 2. A substantial part of the events or omissions which gave rise to
11 Plaintiff's claims occurred in the County of Riverside, State of California.

12 THE PARTIES

13 3. Plaintiff is, and at all relevant times, was a covered beneficiary under
14 a long-term disability (hereafter, "LTD") group insurance policy (hereafter, the
15 "Policy") issued by defendant the STANDARD INSURANCE COMPANY
16 (hereafter, the "STANDARD") through his employer, Inland Counties Legal
17 Services (hereafter, "ICLS").

18 4. At all relevant times, defendant STANDARD administered ICLS'
19 LTD Policy, with respect to claims and payment of LTD insurance benefits under
20 the Policy. The STANDARD exercised discretionary authority and control over
21 the administration of the Policy and the administration, payment and final
22 administrative review of Plaintiff's disability insurance claim as alleged herein.
23 Accordingly, the STANDARD is, and at all times was, a fiduciary within the
24 meaning of ERISA, with respect to the Policy.

25 5. Plaintiff is unaware of the true names and capacities of Defendants
26 sued herein as DOES 1 through 50, inclusive, and for that reason sues said
27 Defendants by such fictitious names. Plaintiff will file and serve an amendment to
28

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1 this Complaint alleging the true names and capacities of said fictitiously named
2 Defendants if and when the Plaintiff knows such true names and capacities.

3 6. Plaintiff is informed and believes, and based thereon alleges, that each
4 Defendant acted in all respects pertinent to this action as the agent of the other
5 Defendants, carried out a joint scheme, business plan or policy in all respects
6 pertinent hereto, and the acts of each Defendant are legally attributable to the other
7 Defendants.

8 7. Hereinafter in the Complaint, unless otherwise specified, reference to
9 a Defendant or Defendants shall refer to all Defendants, and each of them.

10 **ALLEGATIONS**

11 8. On May 30, 2010, Plaintiff was hired as the Managing Attorney of
12 ICLS.

13 9. A benefit of Plaintiff's employment with ICLS was the option of LTD
14 insurance benefits under ICLS's Policy with the STANDARD. The LTD benefits
15 coverage was contributory, meaning an employee was not automatically a
16 participant under the plan when becoming eligible for participation. Instead, the
17 employee had to elect for LTD coverage and pay the premiums.

18 10. ICLS had a policy requiring ICLS to confirm when any employee
19 who is eligible for LTD coverage elects not to apply for it. Such a "waiver" must
20 be "in writing" by the employee.

21 11. On July 1, 2011, Plaintiff became eligible for LTD coverage.

22 12. In June 2012, during open enrollment period, Plaintiff informed ICLS
23 that he elected to have LTD coverage. Plaintiff then filled out the paperwork
24 provided to him by ICLS to receive coverage. Immediately thereafter, ICLS began
25 deducting LTD premiums from Plaintiff's pay-checks and sending them to the
26 STANDARD.
27
28

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1 13. The deductions were itemized on Plaintiff's pay stub and were taken
2 out by ICLS from June 22, 2012 through March 2013. Plaintiff, therefore,
3 reasonably believed he had LTD coverage with the STANDARD.

4 14. On or about October 31, 2012, Plaintiff was diagnosed by a
5 neurosurgeon with hydrocephalus, a serious brain condition that rendered Plaintiff
6 completely disabled.

7 15. As a result, Plaintiff applied for LTD benefits with the STANDARD.
8 On or about May 14, 2013, the STANDARD denied coverage on the grounds that
9 Plaintiff never applied for the insurance and, therefore, his policy never became
10 effective under the group policy.

11 16. Plaintiff is informed, believes, and based thereon alleges, that
12 STANDARD received and accepted the premium payments from ICLS sent on
13 behalf of Plaintiff for LTD benefits. To date, there has been no change in the
14 STANDARD's position. Accordingly, the STANDARD has violated the ERISA.

FIRST CLAIM FOR RELIEF

FOR BENEFITS DUE UNDER THE ERISA PLAN

(Against ALL Defendants)

17
18 17. Plaintiff realleges and incorporates herein paragraphs 1 through 16 of
19 this Complaint as if fully set forth at this place.

20 18. On or about, October 31, 2012, Plaintiff became completely disabled,
21 within the meaning of the terms of the Policy, and applied for disability insurance
22 benefits. The STANDARD rejected Plaintiff's disability claim and refused
23 payment of disability insurance benefits to Plaintiff.

24 19. Since October 31, 2012, and at all relevant times thereafter, Plaintiff
25 has been, and continues to be, totally disabled within the meaning of the terms of
26 the Policy.

27 20. Plaintiff has fulfilled every condition and has duly performed each
28 and every obligation that he was required to perform under the terms of the Policy,

1 and is and at all relevant times has been entitled to payment of disability benefits
2 under the terms and conditions of the Policy.

3 21. Defendants have breached their obligation to Plaintiff by failing to
4 fulfill their obligations under the Policy and under the applicable provisions of
5 ERISA, including, but not limited to, the obligation to pay disability benefits under
6 the Policy.

7 22. As a direct and proximate result of defendants' conduct as alleged
8 herein, Plaintiff has suffered and will continue to suffer losses compensable under
9 ERISA, including but not limited to, loss of his disability benefits, interest on those
10 benefits, and attorneys' fees, and expenses.

11 **SECOND CLAIM FOR RELIEF**
12 **FOR BREACH OF FIDUCIARY DUTY**
13 **(Against ALL Defendants)**

14 23. Plaintiff realleges and incorporates herein paragraphs 1 through 22 of
15 this Complaint as if fully set forth at this place.

16 24. Defendants breached their fiduciary duties under ERISA by failing to
17 properly investigate and administer Plaintiff's claim for disability benefits, in
18 accordance with the purposed of the Policy and for the exclusive benefit of its
19 beneficiaries, and as further alleged herein.

20 25. As a direct and proximate result of defendants' conduct as alleged
21 herein, Plaintiff has suffered and will continue to suffer losses compensable under
22 ERISA, including but not limited to, loss of his disability benefits, interest on those
23 benefits, and attorneys' fees, and expenses.

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WHEREFORE, Plaintiff prays for judgment as follows:

1. For benefits due under the Policy;
2. For a declaration regarding Plaintiff's rights to future benefits under the Plan;
3. For such equitable relief as the Court deems just and proper
4. For prejudgment interest, according to proof;
5. For attorneys' fees and costs and expenses incurred herein, and
6. For such other and further relief as the Court may deem just and proper.

DATED: January 11, 2017

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By: 

JOSEPH M. LOVRETOVICH

JARED W. BEILKE

CHRISTOPHER P. BRANDES

Attorneys for Plaintiff